

ORIGINALDecision No. 51607

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 ELMER AHL, Agent, for and on behalf of)
 highway common carriers and petroleum)
 irregular route carriers, parties to)
 Tank Truck Operators Tariff Bureau)
 Local Freight Tariff No. 3-D, Cal.P.U.C.) Application No. 36683
 No. 25, Local Freight Tariff No. 30-A,)
 Cal.P.U.C. No. 26, and Local Freight)
 Tariff No. 33-B, Cal.P.U.C. No. 27, for)
 authority to increase rates and to)
 modify rules.)

In the Matter of the Investigation into)
 the rates, rules, regulations, charges,)
 allowances and practices of all common)
 carriers, highway carriers and city)
 carriers relating to the transportation) Case No. 5436
 of petroleum and petroleum products in) (Petitions for Modification
 bulk (commodities for which rates are) Nos. 13 and 14)
 provided in Minimum Rate Tariff No. 6).)

Edward M. Berol and William J. Kneell, for
 Elmer Ahl, Agent, Tank Truck Operators Tariff
 Bureau.

Willard O. Orr, for Orr Tank Lines; Phillip N.
 Deckard, for Lamb Transportation Company; and
W. T. Cannon, for System Tank Lines, interested
 carriers in Application No. 36683 and
 respondents in Case No. 5436.

J. C. Kaspar and R. D. Boynton for California
 Trucking Associations, Inc., interested
 carrier association.

Don Neher, for Shell Oil Company; J. M. Connors
 and E. C. Hurley, for Tide Water Associated
 Oil Company; R. T. Hunt and W. O. Narry, for
 Richfield Oil Corporation and Frank Lord, for
 Union Oil Company, interested shippers.

R. A. Lubich and Arthur M. Mooney, for the
 Commission's staff.

O P I N I O N

This opinion, and the order which follows, relates to
 rates, rules and regulations which apply to the transportation of

bulk petroleum products in tank truck equipment within California. Elmer Ahl, applicant and petitioner herein, is tariff publishing agent for numerous carriers of bulk petroleum products operating as highway common or petroleum irregular route carriers. By the above-numbered application, filed January 31, 1955, he seeks authority to establish increases in the rates and to make certain changes in the rules governing the operations of various of these carriers. By Petitions Nos. 13 and 14 in Case No. 5436, filed January 31 and February 2, 1955, respectively, he seeks modification of rates, rules and regulations in Minimum Rate Tariff No. 6 governing the transportation of bulk petroleum products.

Appropriate notices having been sent by the Commission's secretary to persons and parties believed to be interested, public hearing on the application and on the petitions was held on a consolidated record before Examiner C. S. Abernathy at San Francisco on March 28, 1955. Evidence in support of the proposals was submitted by applicant's (and petitioner's) assistant,¹ by the director of research of the California Motor Trucking Associations, Inc., and by three carrier witnesses. Representatives of major oil companies in California participated in the development of the record and entered exceptions to certain of the sought changes. Representatives of the Commission's staff also participated in the proceedings.

The increases which Elmer Ahl seeks to establish in rates which he publishes as tariff agent would apply to certain hourly rates and to a rate for spreading asphalt and road oil. Changes which he proposes to make in his tariff rules relate to

¹ The term "applicant" as used hereinafter includes "petitioner."

the rates and minimum charges for shipments of petroleum products transported in single vehicle units. The modifications which he seeks in Minimum Rate Tariff No. 6 are (a) establishment of an allowance to be made by carriers to consignees when consignees accept delivery of shipments after normal working hours; (b) extension of a present diversion charge to apply to shipments partially unloaded in transit; (c) modification of transit provisions to permit stops for partial loading; and (d) establishment of a reduced minimum charge to apply in connection with transportation in certain semitrailer tank vehicles. These several proposals, the allegations and evidence which were advanced in support thereof, and our conclusions with respect thereto are discussed hereinbelow.

Hourly Rates

The hourly rates which are involved herein are set forth in applicant's Local Freight Tariffs Nos. 3-D and 30-A (Cal. P.U.C. Nos. 25 and 26, respectively). They apply in lieu of distance and zone rates named in the tariff when a shipper or consignee requests service on an hourly basis. According to testimony of applicant's assistant, the rates were designed to produce higher charges than do the distance and zone rates in instances when the terrain over which the transportation is performed is unusually rough or difficult or in similar circumstances where the distance or the zone rates would result in insufficient revenues. In no event are charges under the hourly rates less than those under the distance and zone rates, the latter being applied as minimum for the hourly service.

Applicant seeks increases in the hourly rates on the grounds that they are no longer sufficiently compensatory. The

present and the proposed rates, except those to which reference is made in Footnote 2, below, are as follows:

| <u>Type of Equipment:</u> | <u>Hourly Rates (in cents per hour)</u> | |
|---|---|-----------------|
| | <u>Present</u> | <u>Proposed</u> |
| Truck | 600 | 600 |
| Tractor and semitrailer with tank capacity of | | |
| (a) Not more than 4,000 gallons | 600 | 600 |
| (b) More than 4,000 gallons | 700 | 895 |
| Truck and trailer | 700 | 895 |
| Tractor and two semitrailers | 700 | 895 |
| Tractor, semitrailer and trailer | 700 | 895 |

Applicant's assistant testified that the present rates are at the same level as that at which they were published in 1949; that in the intervening period since, the carriers have experienced substantial increases in operating costs; that effect has been given in the zone and distance rates to the higher operating costs; and that in relation to the present costs of operation and to the distance and zone rates the present hourly rates are unduly low.

A carrier witness whose operations are principally within Ventura County presented evidence relating to conditions under which he finds it advisable to assess the hourly rates. This witness testified that his services extend into mountainous areas of the county and include the transportation of bulk petroleum products to and from oil fields in such areas. He stated that in the development of these oil fields the roads thereto initially are no more than pioneer roads; that they are unpaved,

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Hourly rates are also named in applicant's Local Freight Tariff No. 3-D, Cal. P.U.C. No. 25, which are higher than the present rates shown above. An increase in one of these rates was sought by late amendment to the application. Notice of this amendment was not given to the shippers who would be affected thereby. The amendment will not be considered herein.

rough and crooked; and that they include steep grades. These factors, he said, result in abnormal wear of equipment and operating costs. He asserted that the present hourly rates are less than the costs of the service and that the sought rates would be no more than reasonable.

The director of research for the California Trucking Associations, Inc., who said that his office had made a study of factors involved in the hourly rates, submitted comparisons to show that since 1949 the carriers' labor costs have increased by about 33-1/3 percent and that substantial increases have been experienced also in the costs of repair parts and fuel. The research director also submitted the results of a study which he had made of the gross revenues earned by 15 petroleum carriers during the month of January of this year. In this study he developed that the gross revenues of the carriers averaged \$9.11 per hour of operation. These revenues, he indicated, resulted in net revenues as reflected by an operating ratio of about 95 percent. It was his conclusion that the sought rates of \$8.95 per hour, which represent an increase of about 28 percent over present rates, are reasonable in view of the cost increases which the carriers have experienced, in relation to the carriers' gross hourly revenues and their net earnings therefrom, and in view of the fact that the hourly rates are applied principally in circumstances where the carriers' operating costs are higher than average.

Although in the circumstances it would seem that increases in the hourly rates might be authorized, there appears to be a material defect in the hourly rate structure itself which until corrected must bar establishment of increases as herein proposed. This defect lies in the fact that the tariff regulations governing

the application of the hourly rates do not define the transportation conditions under which the rates apply. The sole governing provision is that the hourly rates apply when service on an hourly basis is requested by shipper or consignee.

As has been indicated heretofore, a purpose of the hourly rates is to return to the carriers higher charges than would result under the distance or zone rates in instances where the revenues under the distance or zone rates would be insufficient. But in what circumstances are the revenues under the distance or zone rates to be adjudged insufficient so that the hourly rates reasonably may be applied? It is obvious that any criteria that may be employed for this purpose must take into consideration the fact that the distance and zone rates have general application and thereby cover a range of favorable and adverse operating conditions. It is also obvious that higher charges under the hourly rates may not be assessed reasonably for transportation performed under adverse operating conditions for which sufficient provision is included in the distance or zone rates as a whole even though as to specific hauls the earnings under the distance or zone rates may appear inadequate. Since the range of transportation conditions under which the distance or zone rates may reasonably be applied and the range of conditions under which the hourly rates correspondingly may be applied are undefined and uncertain, a finding as to what transportation services the sought increased rates are justified may not be made on this record.³

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The fact that the shipper or consignee may agree to the hourly rates is not sufficient delineation of the services to be performed thereunder to provide a basis for authorization of the sought increases. It appears, moreover, that the assessing of different rates for the same transportation, depending upon whether the shipper or consignee may agree to the higher basis of rates, is itself a discriminatory practice which should be corrected. The discriminatory aspects of this basis of charges and certain other objectionable features thereof are discussed in Decision No. 47415, dated June 30, 1952, which involved an application of a petroleum irregular route carrier for authority to establish hourly rates corresponding to those herein involved.

Rate for Spreading Asphalt and Road Oil

For the service of spreading asphalt or road oil applicant's Local Freight Tariff No. 33-B, Cal. P.U.C. No. 27, specifies that a rate of 6½ cents per 100 pounds applies. Applicant alleges that carriers and shippers interpret this rule differently, some claiming that the rate applies only to the amount spread and others claiming that the rate is subject to a minimum weight of 36,000 pounds. He further alleges that the latter interpretation is the one that should be accorded the rate and that the rule should be so amended and clarified.

Despite the conflicting interpretations, it is clear that the rate is not now subject to a minimum weight and that amendment of the rule as applicant proposes establishes in effect a minimum charge of \$22.50 for the spreading service.

Allegedly, the spreading of asphalt and road oil frequently involves such small quantities per job that the carriers receive only nominal revenues for their service. A minimum of the volume proposed was said to be necessary to return the costs which are incurred. The transportation and spreading of asphalt and road oils assertedly is a service which is substantially more costly to perform than is the transportation of those products only. The higher costs were attributed to greater investment per vehicle, to lesser load and use factors, to more difficult unloading conditions and to miscellaneous other factors. A carrier witness explained that the spreading service requires the addition of special and costly attachments to the tank vehicles and that because of the added weight of the attachments the payload capacities of the vehicles are reduced. He said that his company's experience is that the spreading of small amounts of asphalt and

road oils is a relatively costly operation because the small amounts frequently must be spread in locations which are not easily accessible to the spreading equipment. He said also that the maintenance of the warm temperatures necessary to permit spreading of asphalt or road oil often requires the transportation of larger amounts of these materials than are required for the jobs and that after the spreading is performed the excess must be returned to the shipper.

The research-director witness also testified concerning the carriers' investment in and the loading capacities of tank vehicles used in the spreading service. His testimony in these respects corresponds substantially to that of the carrier witness. In other respects he testified that studies which he had made show lesser use factors and greater unloading times for vehicles in spreading service than for vehicles in other bulk petroleum transportation. He undertook to relate the lesser loading capacities of the vehicles and the longer unloading times to arrive at additional costs applicable specifically to those factors. The figures which he thus developed totalled \$26.79 per shipment. On the basis of this showing he concluded that the sought minimum would be reasonable.

A representative of the Richfield Oil Corporation appeared in opposition to establishment of the sought minimum. He testified that on numerous occasions his company ships less than full truck and trailer loads of asphalt products for spreading at small job sites such as gasoline service stations and shopping areas. The quantities which are usually involved, he said, range from 10,000 to 24,000 pounds. He opposed establishment of the sought minimum of 36,000 pounds on the grounds that his company and others similarly situated would be required to pay for service which is

not performed. He asserted that carriers cannot reasonably request service on this basis and that they have an obligation to provide rates geared to the shippers' needs.

A representative of the Union Oil Company concurred in this statement of position submitted on behalf of the Richfield Oil Corporation.

Establishment of the sought minimum weight will not be authorized. Neither the amount of the adjustment nor the form thereof, as it would affect the charges for the spreading service, appears reasonable or justified. With reference to the amount of the adjustment, the showing which was advanced in support thereof and which was based on such considerations as lesser loading capacities of the spreader vehicles and greater unloading times where spreading is performed --- said showing ignores tariff provisions which make every shipment of asphalt or road oil subject to a minimum weight of 36,000 pounds. Thus, though the lesser capacity of spreader-equipped vehicles may affect the amount transported, the carrier is compensated for the same minimum that applies in connection with non-spreader vehicles. Regarding the time for unloading, which assertedly is greater when spreading is performed, demurrage charges in the tariff appear to provide sufficient compensation for delays for which provision is not included in the line-haul rates. As to the form of the adjustment, establishment of the proposed minimum is not in consonance with the justification advanced therefor. To the extent that adjustments should be made, if at all, to compensate for the higher investment and lower use factors which apply in connection with the combined service of transporting and spreading asphalt and road oils, it appears that those which would be appropriate would be in the

line-haul rates in order that the applicable costs may be equitably spread among the various hauls. It may be that certain factors which are not touched on herein may justify the establishment of a minimum charge for spreading service. On this record, however, there is not sufficient basis for finding that any specific charge is justified.

Rates and Minimum Charges on Single Truckloads or on
Single Tractor and Semitrailer Loads

Item No. 80 (a) of applicant's Local Freight Tariff No. 3-D, Cal. P.U.C. No. 25, provides that

"Rates on single truckload shipments or tractor and semitrailer load shipments of less than 4,000 gallons shall be 150% of the rates named herein, subject to minimum quantity of 3,000 gallons, but not less than the legal carrying capacity of the tank furnished

This provision is an exception to the minimum charge rule contained in Item No. 160 of the same tariff which states that the minimum charge per shipment shall be computed on the carrying capacity of the tank or tanks furnished but on not less than 3,000 gallons for shipments transported in tank trucks on tank trailers, 5,000 gallons for shipments of gasoline transported in tank semitrailers, or 4,000 gallons for shipments of other refined petroleum products, black oils and crude oil transported in tank semitrailers.

Applicant alleges that the present provisions of Item No. 80 (a) have proved confusing to the carriers and that in assessing charges thereunder some carriers are applying a minimum of 4,000 gallons to shipments of less than that amount whereas other carriers are applying rates of 150 percent of the base rates to shipments

of less than 4,000 gallons.⁴ As a means of making the rule more specific, he proposes to amend it to read as follows:

"Rates on single truckload shipments, tractor and semi-trailer load shipments, or trailer load shipments shall be subject to a minimum gallonage of 4,500 gallons but not less than the carrying capacity of the tank furnished except as otherwise provided in this item."

Applicant states that the proposed rule carries out the intent of the present item, namely to make all single shipments of less than full truck and trailer load capacity subject to 150 percent of the rates applicable to full truck and trailer loads. Some increases would result from establishment of the sought rule. Assertedly, the increases would be more technical in nature than actual for the reason that the capacities of most of the vehicles used exceed the proposed minimum.

In addition to proposing amendment of the provisions of paragraph (a) of Item 80 as indicated above, applicant seeks authority to amend the rules contained in paragraphs (b) and (c) of this same item which govern the rates applicable to two shipments transported at the same time in truck and trailer or in tractor and semitrailer combinations. In general these rules state that the rates are subject to the minimum legal carrying capacity of each tank unit but not less than 3,000 gallons for each unit. The amendment which applicant proposes is deletion of the term "legal" from the designation of the carrying capacity of the tank units. This deletion is sought in order to simplify determination of the quantities upon which the charges are based.

It is evident that revision of the provisions of paragraphs (b) and (c) of Item No. 80 referred to above should be made in order to eliminate present undesirable features thereof. The form

⁴ The latter basis of charges results in higher charges for shipments of less than 4,000 gallons than those which apply for shipments of 4,000 to 4,500 gallons.

of the revisions appears appropriate in the circumstances shown. With respect to the proposal, however, to establish 4,500 gallons as the minimum quantity upon which charges for single truckload, semitrailer load or trailer load shipments should be calculated, the record does not support the establishment of a minimum of this amount. Notwithstanding testimony of applicant's assistant to the contrary, it appears that in numerous instances substantial and actual increases, rather than "technical" increases, would result under the sought minimum.⁵ Although the tariff seemingly provides a minimum charge equal to that for 4,500 gallons, the effective minimum charge appears to be based on a minimum quantity of 4,000 gallons. An increase of this minimum has not been justified by the evidence of record. Subject to this limitation, and to correction of the proposal as it relates to semitrailers, the rule changes which applicant seeks with respect to the minimum charges should be authorized.⁶

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It appears that the principal increases would apply to shipments transported in tank trucks or in "short" semitrailers. The evidence indicates that the capacities of these vehicles range from 2,800 to 3,800 gallons. In comparison the capacities of tank trailers are about 4,400 gallons. The minimum to apply in connection with shipments transported in "short" semitrailers is involved in another of applicant's proposals which is discussed hereinafter.

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Other revisions in addition to those referred to above which should be made in the rules in Item No. 80 relate to the minimum quantities specified for shipments transported in tank semitrailers. These rules specify a minimum of 3,000 gallons, whereas Minimum Rate Tariff No. 6 specifies minimums of 4,000 and 5,000 gallons for semitrailer tank vehicles, depending upon the commodity involved. Applicant's assistant indicated the lower figure was published through oversight. Applicant will be expected to effect the necessary corrections forthwith.

Minimum Rate Tariff No. 6

Allowance for Unloading after
Normal Working Hours

Applicant proposes that Minimum Rate Tariff No. 6 be amended to permit an allowance of \$1.50 per hour (maximum allowance, \$3.00; minimum allowance, \$1.00) to consignees when they accept deliveries during other than normal working hours. This allowance is advocated as a measure to enable the carriers to attain greater efficiency in their operations. Applicant states that experience of motor carriers who have been operating under a similar allowance in interstate transportation shows that it encourages unloading during other than normal working hours and that it thereby lessens labor costs and makes possible a better usage of equipment. Confirming testimony in this vein was presented by the director of traffic for System Tank Lines, a motor carrier engaged in the transportation of bulk petroleum products within and between California, Oregon, Washington and other states in the Northwest.

Objection to the proposal was registered by the representative of the Richfield Oil Corporation who asserted that the allowance is not sufficient to accomplish its purpose. He said that from his company's standpoint the allowance would not cover even the direct labor costs which his company would incur in keeping its receiving facilities open to accommodate the deliveries involved. He recommended that if an allowance is authorized, it be large enough to cover the consignees' additional receiving costs.

Although the proposed allowance, in the viewpoint of certain consignees, may be somewhat less than adequate, it will be established. The record is persuasive that the allowance has been proved by experience elsewhere as being helpful to the carriers in improving their operations. The opportunity to effect operating economies and efficiencies similarly should not be withheld from

the carriers in this state. Such economies and efficiencies not only strengthen the carriers' ability to serve, but redound to the benefit of the shippers and consignees as well. If it subsequently develops that the allowance should be increased or modified for good cause, the parties interested may bring the matter to the attention of the Commission in an appropriate action.

Charge for Diversion of Shipments
Partially Unloaded in Transit

Present rules of Minimum Rate Tariff No. 6 provide a charge of \$4.00 for the diversion of shipments. This charge does not apply, however, when the diversion involves partial unloading. Applicant seeks elimination of the exception so that the charge will apply for all diversions. Also, for purposes of clarity, he proposes that a diverted shipment be defined as "a shipment pertaining to which a point of destination or a consignee is changed, or both point of destination and consignee are changed, after the shipment leaves the original point of origin."⁷

A carrier witness testified that the usual instances under which diversion occurs in conjunction with partial unloading are those where it develops in the delivery of a shipment that the consignee's receiving facilities are not sufficient to contain the full shipment. On these occasions the carrier generally must obtain delivery instructions from the shipper for the remainder of the load. The witness stated that the process frequently requires a series of telephone calls between the driver of the vehicle involved and the carrier's office and between the carrier and the shipper; also, until the delivery instructions are obtained,

⁷ Precisely what constitutes "diversion" is not defined in the tariff at present.

the driver and equipment must be held at the point of diversion. In contrast, he said that the expense of the telephone calls and of the equipment delays is not incurred when partial unloading is a scheduled part of the delivery and no diversion occurs.

In the light of the showing herein concerning diversions, no sound basis appears for continuing in effect the exception which applies when partial unloading is involved. From the carriers' standpoint the diversion service that is performed in conjunction with partial unloading appears the same in the essential aspects as other diversions for which the diversion charge applies. In the circumstances under which partial unloading of diverted shipments is performed, the showing is clear that the partial unloading does not materially lessen, if at all, the costs of arranging the diversion. The exception will be eliminated as sought. Subject to minor changes the proposed definition of the diversion service will be adopted also.

Shipments Stopped in Transit for
Partial Loading

Provisions of Item No. 130 of Minimum Rate Tariff No. 6 permit the stopping of shipments in transit for partial unloading purposes. Charges on such shipments are computed at the rate applicable via the route of movement plus a charge of \$6.25 for each stop made. Applicant seeks extension of these provisions to permit stops in transit for partial loading. ✓

Applicant's assistant testified that a practice of the producers of petroleum products is to process different grades of a commodity such as asphalt at different plants; that quantities of the different grades of the same commodity are often shipped together as one shipment; and that in transporting these shipments, which are mixed as to grades, the carriers are required to make separate stops at the different plants in order to obtain the grades being shipped.

He said that under present tariff rules the movement of the first lot from point of pickup to point where loading is completed must be treated as the transportation of a separate shipment and that charges must be assessed accordingly. The resultant charges, he said, are relatively high for the service that is performed and a source of frequent complaint by the shippers. He asserted that the present regulations governing partial unloading would provide a more reasonable and acceptable basis of charges for the service if they were broadened to cover stops in transit for partial loading and that they should be amended accordingly.

Under applicant's proposal the stop-in-transit provisions would apply either for partial loading or partial unloading but not for both services in connection with the same shipment. A representative of the Union Oil Company took exception to this limitation. He said that 90 percent of the orders which his company receives for emulsified asphalt also involve asphalt of another grade; that the two grades usually have different points of destinations and frequently different points of origin. He declared that adoption of applicant's proposal, including the limitation, would result merely in removing an unreasonable penalty that now applies in relation to the loading of the shipments and would impose it upon the unloading services. He urged that the rule be modified to apply both to partial loading and unloading. This proposal was not opposed.

The evidence is clear that the transit privileges which Item No. 130 of Minimum Rate Tariff No. 6 provides at present are not adequate to meet the requirements of the shippers of bulk petroleum products. It appears that the charges which apply at

present in connection with shipments that require partial loading service may be unnecessarily high in various instances. Extension of the rules in Item No. 130 for partial unloading to apply also to partial loading appears reasonable on the showing made herein. Applicant's proposal with the modification urged by the representative of the Union Oil Company will be adopted. In the publication of the proposed rule minor changes will be made in the form of the rule for clarity and definiteness.

Minimum Charges for Shipments Transported in
Tank Semitrailer Equipment

Item No. 80 of Minimum Rate Tariff No. 6 specifies the bases upon which minimum charges per shipment of bulk petroleum products shall be calculated. The determining factors are (a) the rate applicable to the commodity involved and (b) the quantity designated as minimum. Several different quantities are so designated, the volume thereof depending upon the commodity comprising the shipment and the type of vehicle or vehicles used in the transportation.

For transportation performed in tank semitrailer equipment the rule states that the minimum charge for shipments of gasoline shall be computed upon a minimum quantity of 5,000 gallons and that for other refined petroleum products and for black oils and crude oil the charge shall be computed on a minimum quantity of 4,000 gallons.

Applicant alleges that these minimum gallonages are excessive when applied to transportation performed in a type of semitrailer described as a "short" semitrailer. According to testimony and an exhibit submitted by applicant's assistant, "short" semitrailers have substantially lesser capacity than tank semitrailers generally and virtually the same capacity as tank trucks; they are often used in lieu of tank trucks when the latter vehicles

are not readily available. Applicant states that when "short" semitrailers are substituted for tank trucks, shippers are penalized under the present provisions by having to pay charges based upon higher minimums applicable to semitrailers generally. He proposes that transportation of gasoline, of other refined petroleum products, and of black oils and crude oil in "short" semitrailers be made subject to the same minimum gallonage as that for like transportation in tank trucks; namely, 3,000 gallons.

The showing in this matter is persuasive that the "short" semitrailers are a different class of trailer than other tank semitrailers generally and that for the smaller semitrailers lesser minimums than those which apply at present would be reasonable. Because of the similarity of capacities of "short" semitrailers and of tank trucks, it appears that for the computation of minimum charges the quantity of 3,000 gallons which applies for tank trucks properly may be made to apply likewise for "short" semitrailers. Modifications to this effect will be made in the minimum charge provisions. For purposes of clarity and definiteness the "short" semitrailers will be defined as those semitrailers having a capacity of less than 4,000 gallons.⁸

In addition to the tariff amendments and revisions which have been discussed above, applicant's proposals include minor rule changes which apparently are advocated for tariff clarification. It does not appear that they would accomplish this purpose. They will not be adopted.

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Applicant's proposal apparently would also include in this definition semitrailers of less than 5,000 gallons capacity. Such a definition appears unnecessarily broad, however, in view of an exhibit which was submitted by applicant's assistant showing that the "short" semitrailers range in capacity from 2,890 to 3,600 gallons.

Upon careful consideration of all of the facts and circumstances of record, the Commission is of the opinion and finds as a fact that amendments in the rates, rules and regulations contained in applicant's tariffs and in Minimum Rate Tariff No. 6 have been shown to be reasonable and justified to the extent that said amendments are authorized or established by the order which follows. To this extent the above-numbered application and petitions will be granted. In all other respects they will be denied.

O R D E R

Based on the evidence of record and on the conclusions and findings set forth in the preceding opinion,

IT IS HEREBY ORDERED:

1. That Elmer Ahl, agent for Tank Truck Operators Tariff Bureau, be and he hereby is authorized to amend Item No. 80 of Tank Truck Operators Tariff Bureau Local Freight Tariff No. 3-D, Cal. P.U.C. No. 25, as follows:
 - a. To amend paragraph (a) to provide that
"Rates on single truckload shipments or trailer load shipments shall be subject to a minimum gallonage of 4,000 gallons but not less than the carrying capacity of the tank furnished, except as otherwise provided in this item."
 - b. To amend paragraphs (b) and (c) to eliminate the term "legal" as it applies in connection with the designation of the carrying capacities of tank units.
2. That except as provided in paragraph (1), above, Application No. 36683 be, and it hereby is denied.
3. That Minimum Rate Tariff No. 6 (Appendix "C" of Decision No. 32608, as amended) be, and it is hereby further amended by incorporating therein to become effective August 1, 1955 the original and revised pages attached hereto and listed in Appendix "A" also attached hereto, which pages and appendix by this reference are made a part hereof.

4. That tariff publications required or authorized to be made by common carriers as a result of the order herein may be made effective not earlier than the effective date hereof on not less than five days' notice to the Commission and to the public; and that such required tariff publications shall be made effective not later than August 1, 1955.
5. That in all other respects the aforesaid Decision No. 32608, as amended, shall remain in full force and effect.
6. That Petitions for Modification Nos. 13 and 14, to the extent that they are not granted by the order herein, be and they hereby are denied.

This order shall become effective twenty days after the date hereof.

Dated at San Francisco, California, this 28th day of June, 1955.

E. N. Mitchell
President

Justice J. Calmes
Russell W. Baran

W. D. Fisher
P. V. Hardy
Commissioners

Appendix "A" To Decision No. 51607
Revised Pages to Minimum Rate Tariff
No. 6 Authorized by Said Decision

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*Change)
#Addition)

Decision No. 51607

EFFECTIVE AUGUST 1, 1955

Issued by the Public Utilities Commission of the State of California,
San Francisco, California:

Correction No. 160

| Item No. | SECTION NO. 1. RULES AND REGULATIONS (Continued) | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|--|--------------------------|-------------------------------------|--|--------------------|--|--|----------------------------------|--------------------------|-------------------------------------|----------|-----------------|---------------------|-----------------|---|-----------------|---------------------|-----------------|-------------------------|-----------------|-----------------|-----------------|----------------------|-----------------|-----------------|-----------------|
| 55 | <p style="text-align: center;">REFERENCES TO ITEMS AND OTHER TARIFFS</p> <p>Unless otherwise provided, references herein to item numbers in this or other tariffs include references to such numbers with letter suffix, and references to other tariffs include references to amendments and successive issues of such other tariffs.</p> | | | | | | | | | | | | | | | | | | | | | | | | | |
| 60-E Cancels 60-D | <p style="text-align: center;">COMPUTATION OF DISTANCES</p> <p>Distances to be used in connection with distance rates named herein shall be the shortest resulting mileage via any public highway route, computed in accordance with the method provided in the Distance Table, subject to the following exception:</p> <p>EXCEPTION-Distances from, to, or between Groups 1 and 2 shall not be computed via the San Francisco-Oakland Bay Bridge, when the petroleum products transported, have a flash point of 80° F. or below (as determined by flash point from Tagliabue's open-cup tester, as used for test of burning oils); nor via the Richmond-San Rafael Ferry when the petroleum products transported have a flash point of 110° F. or below (as determined by flash point from Tagliabue's open-cup tester, as used for test of burning oils).</p> | | | | | | | | | | | | | | | | | | | | | | | | | |
| 70-D Cancels 70-C | <p style="text-align: center;">COMPUTATION OF CHARGES - ESTIMATED WEIGHTS</p> <p>(a) The weight of commodities described under heading "Refined Petroleum Products" in Item No. 30 shall be computed upon the basis of 6.6 pounds per gallon.</p> <p>(b) The weight of commodities described under headings "Black Oils" and "Crude Oil" in Item No. 30 shall be computed upon the basis of 7.75 pounds per gallon.</p> <p>(c) The weight of Liquefied Petroleum Gas shall be computed upon the basis of 4.4 pounds per gallon.</p> <p>(d) The weight of asphalt and road oil shall be the actual weight.</p> | | | | | | | | | | | | | | | | | | | | | | | | | |
| *80-E Cancels 80-D | <p style="text-align: center;">MINIMUM CHARGE</p> <p>The minimum charge per shipment shall be the charge at the applicable rate for the minimum quantities of property designated in connection with the unit or units of carrier's equipment containing the shipment, as specified below. (See Note 1.)</p> <table border="1" style="width: 100%; margin-left: auto; margin-right: auto;"> <thead> <tr> <th rowspan="2"></th> <th colspan="3" style="text-align: center;">MINIMUM QUANTITIES</th> </tr> <tr> <th style="text-align: center;">Tank Truck or Tank Trailer</th> <th style="text-align: center;">Tank Semi- Trailer</th> <th style="text-align: center;">Two Con- nected Tank Vehicles</th> </tr> </thead> <tbody> <tr> <td>Gasoline</td> <td style="text-align: center;">3000 gallons</td> <td style="text-align: center;">5000 (1) gallons</td> <td style="text-align: center;">6000 gallons</td> </tr> <tr> <td>Refined Petroleum Products (other than gasoline) Black Oils, and Crude Oil</td> <td style="text-align: center;">3000 gallons</td> <td style="text-align: center;">4000 (1) gallons</td> <td style="text-align: center;">5000 gallons</td> </tr> <tr> <td>Liquefied Petroleum Gas</td> <td style="text-align: center;">3000 gallons</td> <td style="text-align: center;">4500 gallons</td> <td style="text-align: center;">6200 gallons</td> </tr> <tr> <td>Asphalt and Road Oil</td> <td style="text-align: center;">23250 pounds</td> <td style="text-align: center;">36000 pounds</td> <td style="text-align: center;">36000 pounds</td> </tr> </tbody> </table> | | | | MINIMUM QUANTITIES | | | Tank Truck or Tank Trailer | Tank Semi- Trailer | Two Con- nected Tank Vehicles | Gasoline | 3000 gallons | 5000 (1) gallons | 6000 gallons | Refined Petroleum Products (other than gasoline) Black Oils, and Crude Oil | 3000 gallons | 4000 (1) gallons | 5000 gallons | Liquefied Petroleum Gas | 3000 gallons | 4500 gallons | 6200 gallons | Asphalt and Road Oil | 23250 pounds | 36000 pounds | 36000 pounds |
| | MINIMUM QUANTITIES | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Tank Truck or Tank Trailer | Tank Semi- Trailer | Two Con- nected Tank Vehicles | | | | | | | | | | | | | | | | | | | | | | | |
| Gasoline | 3000 gallons | 5000 (1) gallons | 6000 gallons | | | | | | | | | | | | | | | | | | | | | | | |
| Refined Petroleum Products (other than gasoline) Black Oils, and Crude Oil | 3000 gallons | 4000 (1) gallons | 5000 gallons | | | | | | | | | | | | | | | | | | | | | | | |
| Liquefied Petroleum Gas | 3000 gallons | 4500 gallons | 6200 gallons | | | | | | | | | | | | | | | | | | | | | | | |
| Asphalt and Road Oil | 23250 pounds | 36000 pounds | 36000 pounds | | | | | | | | | | | | | | | | | | | | | | | |

#b (1) Tank semitrailers having a capacity of less than
4000 gallons shall be subject to a minimum of
3000 gallons.

NOTE 1 - See Item No. 30 for description of commodities.

*Change)
#Addition) Decision No. 51607
oReduction)

EFFECTIVE AUGUST 1, 1955

Issued by the Public Utilities Commission of the State of California,
San Francisco, California.
Correction No. 161

| Item No. | SECTION NO. 1 - RULES AND REGULATIONS (Continued). |
|------------------------------------|--|
| <p>*130-D Cancel 130-C</p> | <p>*SHIPMENTS DIVERTED, RETURNED, OR STOPPED IN TRANSIT FOR PARTIAL LOADING OR UNLOADING (Does not apply to split delivery shipments for which rates and charges are provided in Item No. 87.)</p> <p>o(a) Charges upon a shipment which at request of consignor or consignee is either diverted or stopped in transit for partial loading or unloading, or any of them, shall be computed at the rate applicable from point of origin to the point where delivery is completed via each of the points where diversion occurs or partial loading or unloading is performed. (Subject to Notes 1, 2, 3 and 5.)</p> <p>*(b) Charges upon a shipment or a portion of a shipment returned to point of origin, or to a point directly intermediate between last point of diversion and point of origin, shall be computed by adding to the full charge to last point of diversion the charge at one half the rate provided in Section 2 from the latter point to point of origin, subject to minimum charge provided in Item No. 80 applicable to the shipment or portion returned, or upon the basis provided in paragraph (a) of this item for the round trip movement, whichever is lower. (Subject to Notes 1, 2, 3, 4 and 5.)</p> <p>NOTE 1 - Charges upon a shipment of crude oil transported under the provisions of Item No. 210 shall be computed at the highest rate provided to any point where diversion occurs or delivery is performed.</p> <p>*NOTE 2 - Shipments shall be subject to an additional charge of \$6.25 for each stop in transit to partially load or unload.</p> <p>◇ NOTE 3 - Shipments shall be subject to an additional charge of \$4.00 for each diversion. This charge shall be in addition to all other charges provided herein.</p> <p>NOTE 4 - Applies only to property returned prior to unloading from carrier's equipment.</p> <p>#NOTE 5 - A diverted shipment is a shipment on which a point of destination or consignee is changed, or both are changed, after the shipment leaves the point of origin.</p> |
| <p>140-C Cancel 140-B</p> | <p>DEMURRAGE OR DETENTION CHARGES</p> <p>1. Applies only in connection with transportation of refined petroleum products, black oils, crude oil, and liquefied petroleum gas.</p> <p>(a) A charge of \$2.58 for each one-half hour, or fraction thereof, shall be assessed for the time carrier's equipment is detained through no fault of the carrier to complete loading or unloading in excess of the free time specified in paragraph (b).</p> <p>(b) Free time shall commence when carrier's equipment arrives at the loading or unloading point and the carrier's employee reports to the consignor or consignee that the equipment is ready for loading or unloading. Two hours free time shall be allowed for loading and three hours free time shall be allowed for unloading.</p> |

2. Applies only in connection with transportation of asphalt and road oil;

(a) Charges as set forth in paragraph (c) hereof shall be assessed for the time carrier's equipment is detained, through no fault of the carrier, to complete loading, unloading or spreading after expiration of the free time specified in paragraph (b).

(b) Free time shall commence when carrier's equipment is placed in position to load, unload or spread (see Note 1). Two hours free time shall be allowed for loading and two hours free time shall be allowed for unloading and spreading.

(c) The following detention or demurrage charges for excess loading, unloading or spreading shall be made:

(1) LOADING:

\$6.25 per hour, fractions of an hour to be prorated.

(2) UNLOADING:

\$6.25 per hour, fractions of an hour to be prorated.

(3) SPREADING:

\$8.25 per hour, fractions of an hour to be prorated.

NOTE 1. - When shipper or consignee orders load to be delivered at a specifically designated time and carrier has its equipment at destination point at designated time and consignee cannot receive delivery as ordered, free time will commence at the time designated for delivery.

* Change
◇ Increase
Addition
⊖ Reduction

Decision No. 51507

EFFECTIVE AUGUST 1, 1955

Issued by the Public Utilities Commission of the State of California
San Francisco, California

Correction No. 162

Item
No.

SECTION NO. 1 - RULES AND REGULATIONS (Continued)

ISSUANCE OF SHIPPING DOCUMENT

A shipping document (either in individual or manifest form) shall be issued by the carrier to the shipper for each shipment received for transportation. The shipping document shall show the following information:

- (a) Date issued.
- (b) Name of carrier.
- (c) Name and address of consignor.
- (d) Name and address of consignee or consignees.
- * (e) Point or points of origin.
- (f) Point or points of destination.
- (g) Point or points where diversion occurs, if any.
- (h) Description of the shipment.
- (i) Weight of the shipment (or other factor or measurement upon which charges are based.)
- (j) Description of the vehicle or vehicles used (whether tank truck, tank trailer, tank semi-trailer, or two connected tank vehicles.)
- (k) Kind and quantity of property returned, if any.
- (l) Rate and charge assessed.
- (m) Signature of carrier or his agent.
- (n) Such other information as may be necessary to an accurate determination of the applicable minimum rate and charge.

*150- C
Cancels
150-B

The form of shipping document in Item No. 340 will be suitable and proper.

A copy of each shipping document shall be retained and preserved by the issuing carrier, subject to the Commission's inspection, for a period of not less than three years from the date of its issuance.

QUOTATION OF RATES AND CHARGES

(a) Except as provided in Paragraph (b) rates or accessorial charges shall not be quoted or assessed by carriers based upon a unit of measurement different from that in which the minimum rates and charges in this tariff are stated.

(b) Rates or accessorial charges may be quoted or assessed by carriers based upon a unit of measurement different from that in which the minimum rates and charges in this tariff are stated, provided (1) that the freight charges assessed are not less than those which would have been assessed had the rates and accessorial charges stated in this tariff been applied; and (2) that the carriers' shipping documents contain all the information necessary to compute the freight charges on the basis of the units of measurement provided in this tariff.

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SPREADING

(Applies only in connection with transportation of asphalt or road oil.)

170-B The service of spreading asphalt or road oil shall be performed at the rate of 6½ cents per 100 pounds. This rate includes only services of a driver or operator of carrier's equipment. Charges for extra labor shall be computed under the provisions of Item No. 180.
Cancels 170-A

ALLOWANCE FOR DELIVERY AFTER HOURS

When consignee elects to unload, at destination points, on Sundays and Legal Holidays or between the hours of 5:00 p.m. and 8:00 a.m. on other days, the following allowance may be made by carrier for this extra service, viz. (See Note 1):

#6175

An allowance of \$1.50 per hour, not to exceed \$3.00, may be made by carrier for the time required to unload. No payment shall be made when the accrued allowance is less than \$1.00. Fractions of an hour shall be computed to the nearest 6 minutes.

All receipts for unloading must show the time when unloading was commenced and when unloading was completed, and the allowance due thereunder may be paid directly by the carrier to the consignee on each load so unloaded.

NOTE 1 - When unloading is commenced during hours when allowance is not accorded and is completed under the provisions of this item, the allowance may be made only on the portion of the time covered by this item.

*Change
#Addition
oReduction

Decision No. 51607

EFFECTIVE AUGUST 1, 1955

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San Francisco, California.

Correction No. 163